

June 17, 2003

A regular meeting of the Redmond City Council was called to order by Mayor Rosemarie Ives at 7:30 p.m. in the Council Chambers. Councilmembers present were: Cole, Dorning, McCormick, Misener, Paine, Plackett and Robinson.

ANNOUNCEMENTS

The Mayor announced the following changes to the agenda:

- Move Staff Report - Financial Status Report for 2001-2002 Biennium before Items from the Audience
- Add Staff Report - Follow-Up on Reservoir Park Concerns
- Add Staff Report - Information from Eastside Transportation Partnership

PROCLAMATION: REDMOND ARTS DAY

The Mayor read a Proclamation declaring June 17, 2003 Redmond Arts Day. She presented the Proclamation to former Arts Commission Chair Jill Schmidt.

REDMOND ARTS AWARDS PRESENTATION

The Mayor introduced recipients of the 2003 Arts Award winners. Redmond Arts Commissioner Cara Byrne presented awards to the artists, Cristopher Berns, Nik Staritchenok, who developed the Flash Presentation, and the Lake Washington School District. The Mayor said the awards are statuettes by local artist Garth Edwards. Julie Goldsmith, Director of the Visual Arts to Literacy curriculum for kindergarten through sixth grade, accepted the award on behalf of the Lake Washington School District.

The Council viewed a program about the Redmond Arts Commission, past, present and future.

The Mayor recognized Dianne Brudnicki, runner-up, who wrote a book dedicated to the families of September 11, 2001 victims.

KICKOFF 2003 ARTS IN THE PARK

The Council and audience viewed a micro concert by One Works Taiko, Heart Pounding Japanese Drums.

STAFF REPORT - FINANCIAL STATUS REPORT FOR 2001-2002 BIENNIUM

Lenda Crawford, Finance Director, presented a status report on the financial status of the city for the 2001-2002 biennium.

Ms. Crawford said staff would bring the First Quarter Financial Report to the Council on July 15, 2003. She said staff would be looking at all of the city's revenues to give

the Council a better idea of the state of the economy in Redmond.

Councilmember Robinson said on the last page of the 2001-2002 financial report he noticed the city is going out for loans for the Perrigo Park and the Grass Lawn Park Phase II projects. He wondered why, given the city's resources? Ms. Crawford responded that the Council wanted to accelerate the Perrigo and Grass Lawn projects, and the Parks and Recreation Department did not have the monies to expedite those projects. She said the first option was to use interfund loans prior to getting bank loans, but the city's fiscal policy states that interfund loans cannot be longer than one year. She explained the Parks and Recreation Department does not have the monies now, but funds are available within the next five years in the Parks Functional Area of the Capital Investment Program. She concluded staff are estimating that the 2008 ending fund balance for the Parks Function Area of the CIP will be \$184,000, so the department has very little flexibility in the CIP for how to structure payments.

Councilmember Robinson noted that the report indicates that impact fee revenue is lower than he had anticipated. Ms. Crawford commented that impact fees have had a significant impact on city revenues because they are tied to commercial development, which has declined in Redmond.

Councilmember Robinson said during the budget process last year Fire District 34 offered to contribute funds toward the staffing of Station 14 and asked has the Fire Department experienced a reduction in overtime as a result of the staff increase? Ms. Crawford replied the use of overtime is improving, and for the first three months of 2003, all of the departments are within or below their budgets.

Councilmember Plackett noted on the last page of the 2001-2002 financial report the city's investment portfolio shows that the city has money in the bank and interest earnings, and still, staff is recommending a bank loan for these projects. Ms. Crawford responded there would be some risks if the Council were to loan the Parks and Recreation Department money internally because the loans for both projects would be outstanding for five years, and the city's portfolio is structured to support the city's investments for cash flow needs and CIP projects. She concluded that when interest rates increase, the city would want to have cash available to invest.

ITEMS FROM THE AUDIENCE

Josh Redemann-Beech, 6622 211 Place NE, Redmond 98053, thanked the Council for supporting the West Lake Sammamish Parkway Improvements Project with a bike lane on the north

side of the road. He said it will greatly increase safety. He concluded that by including that bike lane, the city has taken steps to improve the community by encouraging more people to take advantage of alternate modes of transportation.

CONSENT AGENDA

Motion by Ms. Dorning, second by Mr. Misenar, to approve the following items of the Consent Agenda:

- (1) approve the minutes of the regular meeting of June 3, 2003
- (2) approve the following payroll/direct deposit and claims checks:

PAYROLL/DIRECT DEPOSIT CHECKS:

#155117 through 155250;
#110624 through 111181 \$1,121,403.24

CLAIMS CHECKS:

#206081 through 206501 \$2,613,511.98

- (3) appoint Kate Cochran and Latha Sambamurti to the Arts Commission
- (5) approve award of bid for Welcome Park Pond, Project No. 03-SD-72, to Terra Dynamics, Inc. for the total amount bid of \$281,556.99, and authorize the Mayor to sign the construction contract.

The following bids were received:

Terra Dynamics, Seattle, WA	\$281,556.99
Dennis R. Craig Const. Redmond, WA	\$291,214.95
Wilder Construction Co Everett, WA	\$292,106.24
Grade, Inc. Woodinville, WA	\$293,004.60
OHNO Construction, Seattle, WA	\$307,319.74
Westwater Construction, Auburn, WA	\$311,032.00
A-1 Landscape & Const. Inc. Snohomish, WA	\$338,057.92
<i>Engineer's Estimate</i>	<i>\$319,454.75</i>

- (6) accept plat improvements for Avondale (aka Avondale Plat, PPL 00-001), and authorize the Mayor to release the plat bond
- (7) authorize sewer service outside the City limits to Veta Bolton at 7808 132 Avenue NE, subject to the following condition: The Owner shall execute a Utility Extension Agreement with the city as

required by Chapter 13.36 of the Redmond Municipal Code, outlining the conditions for extension of service and requiring the Owner to sign a petition for annexation of the property to the city at such time as the city requests; and authorize the Mayor to sign a Utility Extension Agreement for the service in a form approved by the City Attorney in accordance with Chapter 13.36 Redmond Municipal Code

- (9) adopt Ordinance No. 2165, making adjustments to the city budget, amending Ordinance No. 2144, and adopt Ordinance No. 2166, establishing a Cable Access Fund and authorizing expenditures from the newly created fund, which were presented and read.

Upon a poll of the Council, Cole, Dorning, McCormick, Misenar, Paine, Plackett and Robinson voted aye. Motion carried unanimously (7 - 0).

AWARD OF BID AND SUPPLEMENTAL AGREEMENT NO. 3 FOR ENGINEERING SERVICES, WEST LAKE SAMMAMISH REHABILITATION, PROJECT NO. 01-MT-28

The Mayor, in a memorandum to the Council dated June 17, 2003, recommended approval of the award of bid and supplemental agreement.

Councilmember McCormick reminded the Council that there was huge controversy on this project, and the Council received another email requesting a code interpretation from the administrative officer. She said even though she supported the project and the need for bike lanes, she would vote no because of the huge number of people who expressed their concerns.

Motion by Ms. Dorning, second by Mr. Misenar, to approve award of bid for the West Lake Sammamish Parkway Rehabilitation project, No. 01-MT-28, to Lakeside Industries of Issaquah, Washington, for the total amount bid of \$1,658,347.75, and authorize the Mayor to sign the construction contract; approve Supplemental Agreement No. 3 with TranSystems, Inc. for additional engineering services for the West Lake Sammamish Parkway Rehabilitation project, No. 01-MT-28, in an amount not to exceed \$18,000.00, and authorize the Mayor to execute the supplemental agreement.

The following bids were received:

Lakeside Industries, Issaquah, WA	\$1,658,347.75
Watson Asphalt Paving, Redmond, WA	\$1,947,235.00
Engineer's Estimate	\$1,833,871.00

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James E. Haney, City Attorney, stated the administrative interpretation was issued yesterday to the West Lake Sammamish Association. He said the interpretation says the city's storm drainage regulations and King County's regulations do not require water quality treatment for this project because of the new definitions for impervious surface, and that the project is exempt from the State Environmental Policy Act review as well.

Motion carried (6 - 1) with McCormick
Voting nay.

ACCEPTANCE OF CONSTRUCTION FOR SAMMAMISH RIVER HABITAT
ENHANCEMENT, PHASE 2, EAST BANK, PROJECT NO. 00-CI-78

The Mayor, in a memorandum to the Council dated June 17, 2003, recommended acceptance of the construction.

Councilmember Paine noted that he walks and bicycle rides on this area of the Sammamish River trail fairly frequently. He said this project sets a good example for environmental restoration and is the kind of project that Redmond citizens expect from the city.

Motion by Mr. Paine, second by Ms. Dorning, to approve the final contract amount with Terra Dynamics, Inc. for the base bid amount of \$328,413.30 plus change orders and bid item quantity increases and decreases, resulting in a final contract amount of \$291,893.11, and accept construction of the Sammamish River Habitat Enhancement, Phase 2, East Bank, Project No. 00-CI-78, as of June 17, 2003. Motion carried unanimously (7 - 0)

ORDINANCE - AUTHORIZING A LOAN FOR PERRIGO COMMUNITY PARK,
PROJECT NO. 95-CI-80

The Mayor, in a memorandum to the Council dated June 17, 2003, recommended approval of the ordinance for the park loan.

Councilmember McCormick said since this ordinance and the next one are linked she would speak about both agenda items. She said she wanted to see Perrigo Park constructed, but was concerned about the city using credit to pay for the projects. She distributed to the Council two pages from the 2003-2008 CIP (Capital Investment Program) budget. She noted that Exhibit A to the Council memorandum for the Grass Lawn Park loan specifies payments of \$437,000 a year for nine years and asked would those funds be paid by one or two payments per year? Kelley Wood, Cash Manager, Finance

Department, answered that both of the park loans have semi-annual payments.

Councilmember McCormick pointed out that only \$200,000 to \$250,000 were budgeted for loan payments, and the Council is being asked to adopt higher loan payments with the proposed ordinance. Ms. Wood explained that the payment schedule was restructured to avoid a balloon payment in year five in order to reduce interest costs.

Councilmember McCormick said she would like the Council to discuss the philosophy of borrowing. She said it appears the CIP has been restructured without Council discussion, and wondered if the Council should postpone action.

Danny Hopkins, Parks and Recreation Department Director, said an interfund loan with a balloon payment was envisioned in the preliminary budget. In addition to the savings on interest costs with the restructuring of the payment schedule, the city will be able to start construction on these two major projects during this summer's building season, he added.

Councilmembers were concerned that these projects would be over budget and the Council memorandums did not mention the restructuring of the loan payments, specify how the shortfall would be handled or if other projects would be affected.

Motion by Ms. McCormick, second by Mr. Misenar, to adopt Ordinance No. 2167, authorizing a \$1,650,000 loan in the form of a Limited Tax General Obligation (LTGO) Bond to fund a portion of the costs of the Perrigo Community Park Project as previously approved in the 2001-2006 Parks Capital Investment Program budget; establish the necessary Debt Service Account; and authorize expenditures.

Ordinance No. 2167, relating to the incurrence of indebtedness; providing for the sale and issuance of a Limited Tax General Obligation bond, 2003A in the principal amount of \$1,650,000 to pay the costs of the development and related construction costs of Perrigo Community Park; providing for the date, denomination, form, terms, registration privileges, maturity, interest rate and covenants of the bond; providing for the annual levy of taxes to pay the principal thereof and the interest thereon; establishing a Debt Service Account for the bond; and providing for the sale and delivery of such bond to Bank of America, N.A., was presented and read.

Upon a poll of the Council, Cole, Dorning, McCormick, Misenar, Paine, Plackett and Robinson voted aye. Motion carried unanimously (7 - 0).

ORDINANCE - AUTHORIZING A LOAN FOR GRASS LAWN PARK RENOVATION PROJECT NO. 03-CI-65

ORDINANCE - 2003-2004 BUDGET ADJUSTMENT FOR PERRIGO AND GRASS LAWN PARKS LOANS

Motion by Mr. Misenar, second by Ms. Plackett, to adopt Ordinance No. 2168, authorizing a loan of \$2,048,472 in the form of a Limited Tax General Obligation Bond to fund the majority of the renovation costs associated with Phase II Grass Lawn Park improvements as approved in the 2003-2008 Parks Capital Investment Program budget, and establish the necessary Debt Service Account.

Ordinance No. 2168, relating to the incurrence of indebtedness; providing for the sale and issuance of a Limited Tax General Obligation Bond, 2003B in the principal amount of \$2,048,472 to pay the costs of renovating the softball field and tennis courts at Grass Lawn Park and carrying out other capital improvements in city parks providing for the date, denomination, form, terms, registration privileges, maturity, interest rate and covenants of the bond; providing for the annual levy of taxes to pay the principal thereof and the interest thereon; establishing a debt service account for the bond; and providing for the sale and delivery of such bond to Bank of America, N.A., was presented and read.

Upon a poll of the Council, Dorning, Misenar, Paine, Plackett and Robinson voted aye. Motion carried (5 - 2) with Cole and McCormick voting nay.

Motion by Ms. McCormick, second by Ms. Dorning, to adopt Ordinance No. 2169, adjusting the 2003 - 2004 budget.

Ordinance No. 2169, making adjustments to the city budget, amending Ordinance No. 2144, was presented and read.

Upon a poll of the Council, Cole, Dorning, McCormick, Misenar, Paine, Plackett and Robinson voted aye. Motion carried unanimously (7 - 0).

OATH OF OFFICE

James E. Haney, City Attorney, administered the Oath of Office to Redmond Arts Commissioners Kate Cochran and Latha Sambamurti.

REPORTS

Staff Report - Shoreline Master Program Update

Roberta Lewandowski, Director, Planning and Community Development Department, and Cathy Beam, Environmental Planner, in a memorandum to the Mayor and the City Council dated June 17, 2003, presented a status report on the Shoreline Master Program update.

Staff Report - Redmond Youth Partnership Proposal

The Mayor, in a memorandum to the City Council dated June 17, 2003, outlined the proposal to integrate the Redmond Youth Partnership Board of Directors and the city's older youth program section by creating a youth advisory committee.

The Council supported the proposal.

Staff Report - Parks and Recreation On-Line Registration Status

The Mayor, in a memorandum to the City Council dated June 17, 2003, updated the Council on the Parks and Recreation on-line registration process.

Staff Report - King County Court Services Update

The Mayor, in a memorandum to the Council dated June 17, 2003, recommended that the letter attached to the staff report be sent to the King County Executive.

Motion by Mr. Cole, second by Ms. Dorning, to authorize the Mayor to sign a letter to King County Executive Sims stating the city's intent to:

- Waive the city's arbitration rights for a limited time period (July 1 - September 16, 2003 or such later date as may be mutually agreed to in writing) to negotiate a court services agreement with the county, per request of the King County Executive.
- Notify the county that the city intends to create or join a municipal court and requires a two-year extension of service for a transition in court services pursuant to the current agreement; to the extent that the county offers future court services to cities, the city reserves the right to implement any such court services and rescind the extension notification.

Motion carried unanimously (7 - 0).

Staff Report - Follow Up on Reservoir Park Concerns

Police Commander Terry Morgan reported back to the Council regarding activities at the park that were brought to the Council's attention at the last meeting. He said police increased patrols at the park and met with the individual who spoke to the Council. He concluded that on June 13, 2003 he received an email from the concerned citizen expressing appreciation for the added patrols, and stating that the suspicious activity had disappeared.

Report - Information from Eastside Transportation Partnership (ETP)

The Mayor stated that she attended a meeting of the ETP on June 13, 2003 and reported that the Washington State Department of Transportation is considering a requirement that the transport of all flammable materials across Lake Washington be made via State Route 520 rather than Interstate 90, as is the current practice. ETP members are researching this issue to obtain information on the amount of such use and other alternatives.

The Mayor said she and Councilmember Paine, as the city's representatives to the ETP, are working to ensure that sufficient funding for the completion of SR 520 is included in the Regional Transportation Improvement District proposal to the voters.

OMBUDSMAN REPORT

Councilmember Dorning reported that she received email regarding the proposed 140 Avenue NE/Redmond Way cell phone tower and asked for a status report. James L. Roberts, Assistant Planning Director, said the Hearing Examiner asked for additional information, and allowed additional time for the information to be provided. He said the decision is still pending, and will probably come to the Council in August 2003.

Councilmember Cole said it appears that the second week of concerts at Marymoor Park are going better with respect to complaints about noise.

Councilmember Robinson said he received a complaint about the Marymoor Park concerts from his neighbor about cars parking on the street, litter, and urinating on the street.

Jane Christenson, Executive Assistant to the Mayor, said the Mayor's Office is routinely checking with the Police Department and King County to find out about concert related complaints.

Staff Report - City Hall Update

David Rhodes, Public Works Director, reported that staff has been working on space programming, the financing of annual lease payments, a memorandum of understanding for the lease agreement and a Council building tour with Wright Runstad. He referred to the written memorandum dated June 17, 2003 that highlighted the key Council decisions during the next couple of months.

Miscellaneous Reports

Councilmember Cole noted the Council's receipt of email from WashPIRG (Washington Public Interest Research Group) requesting that the Council pass a resolution supporting an Energy Portfolio Standard. The Council requested more information on this matter before taking action.

RECESS

The Mayor declared a recess at 9:30. The meeting reconvened at 9:35 p.m.

CITY COUNCIL PROTOCOL REVIEW

James E. Haney, City Attorney, discussed the laws that apply to the Council when conducting city business, including:

- Attorney-client privilege
- Conflict of interest
- Appearance of fairness with respect to quasi-judicial proceedings
- Public records
- Public process - Open Meetings Act and executive sessions

He also reminded the Council about the requirements/regulations related to the filing for public office, such as eligibility, filing of campaign disclosure statements with the City Clerk and use of city equipment and facilities.

The City Clerk informed the Council of staff's intent to list on the city's website the candidates who have filed for Redmond's elected positions, with a corresponding link to the Public Disclosure Commission records.

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ADJOURNMENT

There being no further business to come before the Council,
the Mayor declared the meeting adjourned at 10:20 p.m.

MAYOR

CITY CLERK